



FOR IMMEDIATE RELEASE

June 24, 2003

**TRIO CHARGED WITH IMPERSONATING
RAILROAD POLICE OFFICERS**

SACRAMENTO--United States Attorney McGregor W. Scott announced today that STEVEN NEMEC, 31, and RICHARD DE VEAS, JR., 41, appeared yesterday afternoon in federal court to be arraigned on two (2) counts of mail fraud for falsely impersonating railroad police officers. On June 19, 2003, Nemec, of Santa Clara, California; De Veas, of Concord, California; and DAVID HORSLEY, 40, of Livermore, California, were indicted by a grand jury in connection with their alleged scheme to obtain appointments to become commissioned railroad police officers in California and Arkansas. After obtaining their commissions, defendants NEMEC, DE VEAS, and HORSLEY allegedly represented themselves to be railroad police officers, and defendant NEMEC issued tickets to members of the public in Arkansas.

The indictment alleges that the defendants falsely represented that they worked for Continental Railroad Company, Inc. ("CRC"), a shell company incorporated by NEMEC in the State of Illinois. CRC operated with only a mail drop at Mail Boxes, Etc., a cellular phone voice mail box and facsimile number. As part of the scheme to defraud, at least two of the defendants allegedly created and caused to be created false railroad police identification. NEMEC's identification falsely stated that he was a "Special Agent" for CRC, and HORSLEY's card falsely identified him as a "Police Commander" for CRC and authorized him to carry a concealed weapon.

According to the indictment, in or about April 2001, defendant NEMEC obtained appointments in California for DE VEAS and HORSLEY as commissioned railroad police officers. In or about April 2001, defendants NEMEC, DE VEAS, and HORSLEY sought appointments in Arkansas as commissioned railroad police officers. NEMEC received his commission from Arkansas in May 2001, and the other defendants' commissions remained pending.

Defendant NEMEC allegedly issued at least three violations to members of the public in the Arkansas area. The violations, issued with pre-addressed envelopes, ordered the purported violators to remit their payments to the Railroad Violations Bureau, P.O. Box 2730, Huntington Beach, California, which was a post office box used by a company retained by defendants NEMEC and DE VEAS to process violations and collect payments. As further part

of the scheme to defraud, defendant DE VEAS allegedly attempted to use his authority as a railroad police officer to obtain six identifications from a vendor in Walnut Creek that creates identification for law enforcement.

According to Assistant U.S. Attorney Robin R. Taylor, who is prosecuting the case, if convicted, the maximum penalty under federal law for each count of mail fraud is five years imprisonment, a \$250,000 fine, and three years supervised release.

These charges are only allegations, and the defendants are presumed innocent until and unless proven guilty beyond a reasonable doubt.

This case has been investigated with the assistance of the United States Department of Transportation, Office of the Inspector General; California Highway Patrol; Washington State Patrol; Union Pacific Railroad Police Department; Burlington Northern Santa Fe Police Department; Walnut Creek Police Department; Concord Police Department; and the U.S. Department of Transportation, Federal Railroad Administration.

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